

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMLC057459

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **BREITBURN OPERATING LP** Contact: **JEANIE MCMILLAN**

3a. Address
**300 TRAVIS STREET SUITE 4800
HOUSTON, TX 77002**

3b. Phone No. (include area code)
Ph: **713.634.4696**

8. Well Name and No.
LEONARD B 1

9. API Well No.
30-015-03758-00-S1

10. Field and Pool, or Exploratory
GRAYBURG

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 33 T17S R29E NWNE 330FNL 1650FEL

11. County or Parish, and State
EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamatation, have been completed, and the operator has determined that the site is ready for final inspection.)

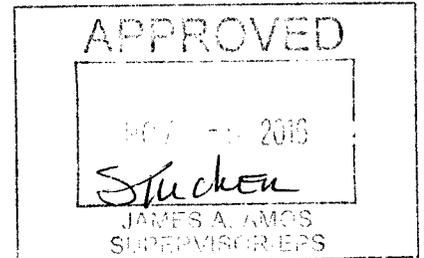
Conditions of Approval Operator Change required that we submit some additional information for each lease. Breitburn Operating LP respectfully submits the following regarding these conditions of approval.

Attached hereto is a facility Diagram as per Onshore Order #3
Attached is a water analysis along with Water Production and Disposal information.

Accepted for Record Purposes.
Approval Subject to Onsite Inspection.
Date: 11.09.2016
Sticker

NM OIL CONSERVATION
ARTESIA DISTRICT
NOV 22 2016

SEE ATTACHED FOR
CONDITIONS OF APPROVAL



14. I hereby certify that the foregoing is true and correct.

RECEIVED
Electronic Submission #344206 verified by the BLM Well Information System
For BREITBURN OPERATING LP, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 08/12/2016 (16PP2038SE)

Name (Printed/Typed) **JEANIE MCMILLAN** Title **REGULATORY MANAGER**

Signature (Electronic Submission) Date **07/08/2016**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Accepted For Record
NMOCD

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMLC057459

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No

8. Well Name and No.
Leonard B Battery

9. API Well No.

10. Field and Pool or Exploratory Area

11. County or Parish, State
Eddy, NM

1. Type of Well
 Oil Well Gas Well Other FACILITY

2. Name of Operator
Quantum Resources

3a. Address
1401 MCKINNEY STREET SUITE 2400
HOUSTON, TX. 77010

3b. Phone No. (include area code)
575-420-7287

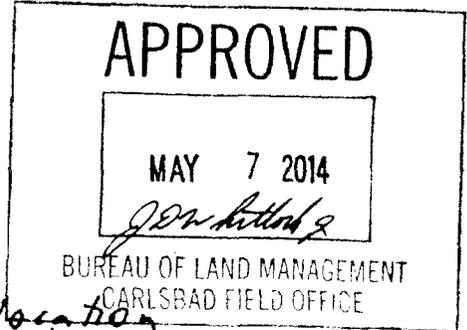
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)
NWNE33-17S-29E-NMP

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	BLM INSPECTION
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

BLM INSPECTION OF FACILITY REPAIR TANK THIEF HATCHES AND GENERAL HOUSEKEEPING PROVIDE DRAWING OF FACILITY AND WHERE WATER IS BEING DISPOSED OF AND HOW IT IS GETTING TO DISPOSAL.



SEE ATTACHED FOR
CONDITIONS OF APPROVAL

*this was correct -
was verified on location*

JLH 5/7/14

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
CLAYTON FRANK

Title PRODUCTION FOREMAN

Signature *[Signature]* Date 3/25/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Bureau of Land Management
Carlsbad Field Office
620 E. Greene Street
Carlsbad, New Mexico 88220
575-234-5972

WATER PRODUCTION & DISPOSAL INFORMATION

1. Name(s) of formation(s) producing water on the lease.
San Andres

2. Amount of water produced from all formations in barrels per day. 306PD

3. How water is stored on lease. Water is Sent Directly from Heater to another facility - Not stored on Lease to Leonard A Btry
4. How water is moved to the disposal facility. water is transported to Disposal by TRUCK
5. Identify the Disposal Facility by:
 - A. Facility Operators name. Quantum Resources
 - B. Name of facility or well name and number. Artesia Unit # 1 SWD
 - C. Type of facility or well (WDW) (WIW) etc. Salt water Disposal
 - D. Location by $\frac{1}{4}$ $\frac{1}{4}$ NW/SW Section 26 Township 17S Range 28E
 - E. The appropriate NMOCD permit number 360R-11720

Submit to this office, 620 EAST GREENE ST, CARLSBAD NM, 88220, the above required information on a Sundry Notice 3160-5. Submit 1 original and 5 copies, within abatement period. (This form may be used as an attachment to the Sundry Notice.)

**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Disposal of Produced Water From Federal Wells
Conditions of Approval**

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
6. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
8. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
9. Disposal at any other site will require prior approval.
10. Subject to like approval by NMOCD.

4/28/2012

WATER PRODUCTION & DISPOSAL INFORMATION

In order to process your disposal request, the following information must be completed.

1. Name(s) of formation(s) producing water on the lease.

SEVEN RIVERS/ QUEEN/ GRAYBURG/ SAN ANDRES

2. Amount of water produced from all formations in barrels per day.

40

3. Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates. (One sample will suffice if water is commingled).

Catalyst water analysis attached.

4. How water is stored on lease.

Produced water dumps directly from the heater-treater to the Leonard Federal tank battery.

5. How water is moved to the disposal facility.

Dumps to Leonard Federal via 2" poly flowline, water is truck hauled from Leonard Federal.

6. Identify the Disposal Facility by:

A. Facility Operators name. Quantum Resources Management, LLC

B. Name of facility or well name and number. Artesia Unit Well #001

C. Type of facility or well (WDW) (WIW) etc. WDW

D. Location by ¼ ¼ NW/SW Section 26 Township 17S Range 28E Eddy Co., NM

7. Attach a copy of the State issued permit for the Disposal Facility.

Administrative Order No. WFX-733 attached.

Submit to this office, **620 EAST GREENE ST, CARLSBAD NM, 88220**, the above required information on a Sundry Notice 3160-5. Submit 1 original and 3 copies, within abatement period. (This form may be used as an attachment to the Sundry Notice).

Leonard B Federal Battery

Field Artesia Current Status Active

Elevation: 3540'

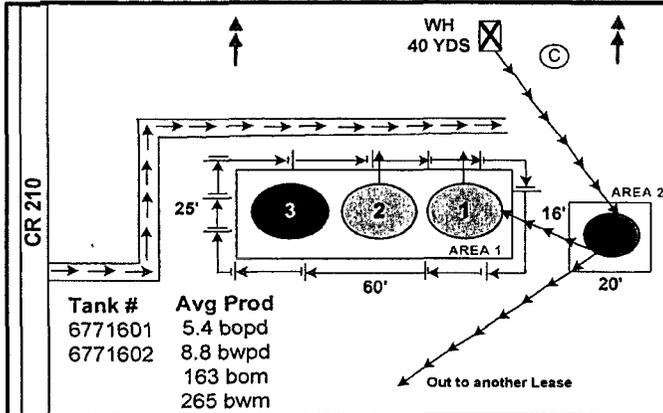
Location: 17S 29E Sec. 33

State: New Mexico Lease Leonard B Federal

Coordinates: N32.79556

County Eddy Diagram Revised: Jimika Reed-Terry (09-07-10)

W104.07888



Tank Information

① ② Oil

Diameter = 10 ft Type = Welded
 Height = 15 ft Material = Steel
 Capacity=210 bbls Top=Closed
 Total Diked Area= Transportation = TR
 Capacity 219 bbls Type of Failure =
 Direction of Flow= N Rupture, Leak, Overflow
 Foundation = Gravel
 Secondary Containment = Earth & Gravel
 Min. Recommend Berm Height = 27 in.
 Lowest point of berm at time of inspection = 18 in.

Tank Information

③ Not in Use

Diameter = 15 ft Type = Welded
 Height = 10 ft Material = Steel
 Capacity=315 bbls Top=Closed
 Total Diked Area= Transportation =
 Capacity 219 bbls Type of Failure =
 Direction of Flow= N Rupture, Leak, Overflow
 Foundation = Gravel
 Secondary Containment = Earth & Gravel
 Min. Recommend Berm Height = 27 in.
 Lowest point of berm at time of inspection = 18 in.

Heater Treater Information

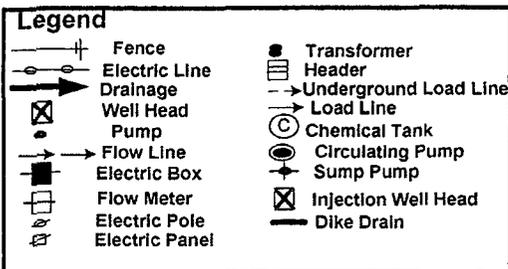
● Heater Treater

Diameter = 4 ft Type = Welded
 Height = 20 ft Material = Steel
 Capacity=45 bbls Top=Closed
 Foundation = Cement Transportation =
 Total Diked Area= Type of Failure =
 Capacity 66 bbls Rupture, Leak
 Direction of Flow= N
 Berm Construction = Earth & Gravel
 Min. Recommend Berm Height = 22 in.
 Lowest point of berm at time of inspection = 16 in.

History

4/2003: Hole in water tank, pull manway clean tank, 5/1/03 brush blast around hole weld patch.

Remarks



BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
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Carlsbad, New Mexico 88220
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7/10/14